



PEEHIP

Quarterly



Vol. 4 No. 1

PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN

February 2008

PEEHIP Hospital Medical Premium Change

Section 16-25A-17 of the *Code of Alabama 1975* was enacted by the Alabama State Legislature to maintain equity in the cost of health insurance for Medicare eligible and non-Medicare eligible retirees. Based upon this statutory provision, the insurance premiums for non-Medicare eligible retirees and dependents must, at a minimum, be equal to the amount paid by a Medicare eligible retiree for PEEHIP coverage plus the Medicare Part B premium.

To adhere to this provision in the law, PEEHIP must change the non-Medicare eligible retiree premium rates for hospital medical coverage. The rate change will be effective March 1, 2008, and reflected in the non-Medicare eligible retiree's February 29, 2008, retirement check. A letter was recently mailed to PEEHIP members affected by this statutory provision giving the details of the premium increase and the specific rate charts. The RSA Web site at www.rsa.state.al.us has also been updated to reflect the new premium rates. Choose the **PEEHIP** link and then choose **PEEHIP Policies** and then **Premium Rates and Copays**.

All members who retired on or after October 1, 2005, are subject to the Retiree Sliding Scale premium based on their years of creditable service. The Sliding Scale charts are also located under the **PEEHIP Policies** section of the Web site at the bottom of the Premium Rate and **Copay** section.

Because the law requires Medicare and non-Medicare premiums to be equal, it may be necessary to adjust the PEEHIP premiums in January of each year if the Medicare Part B rate changes. PEEHIP will notify its members of any changes in the insurance premium as soon as the rates become available.

The March 1, 2008, rate increase does not apply to actively employed PEEHIP members or to retired members who are receiving their actively employed spouse's allocation. The PEEHIP Board and staff will continue to make every effort to keep your premiums and copays as low as possible while providing the best coverage for the members.

Chantix Smoking Cessation Drug

On December 12, 2007, the PEEHIP Board voted to approve coverage of the smoking cessation drug Chantix. It has been added to the formulary list of drugs covered by the PEEHIP Express Scripts prescription drug plan effective December 13, 2007. PEEHIP members must have their physician write a prescription for Chantix and take it to their local participating pharmacy. The prescription will be covered for a 30-day supply with a copay of \$30.

Chantix is a non-nicotine prescription product which reduces the urge to smoke by binding nicotine receptors in the brain causing constant stimulation of these receptors which otherwise would crave stimulation from sources of nicotine, like cigarettes. Like nicotine medicines, Chantix helps with cravings and withdrawal symptoms. But it also blocks the effects of nicotine from tobacco. If you start smoking again while taking Chantix, the medicine lowers the sense of satisfaction you get from smoking, improving the chances that you will quit.

Chantix should not be used with other smoking cessation products. However, it should be used with a patient support program recommended by your physician. The approved course of study is 12 weeks, but longer treatment may help smokers. In addition, counseling is recommended as part of the Chantix treatment program. Members should always consult with their physician before taking this medication. PEEHIP also covers a 3 month supply per member (maximum per lifetime) of the nicotine patches and Zyban (also available generically as Bupropion 150 SR). PEEHIP does not cover nicotine gum or the nicotine inhaler.

2008 Prescription Drug Changes

Preferred (Formulary) Drugs that became Non-Preferred (Non-Formulary) Drugs on February 1, 2008

The PEEHIP Board made changes to the prescription drug program related to the preferred (formulary) prescription drug list effective February 1, 2008. The amount of the prescription drug copay is determined by whether the drug you purchase is a generic, a brand name drug on the preferred or formulary list, or a brand name drug on the non-preferred or non-formulary list. The drugs being removed from the preferred list and their therapeutically equivalent alternative drugs are listed below. In the left column are the preferred drugs which currently have a copay of \$30. However, beginning February 1, 2008, these drugs will become non-preferred drugs and have a \$50 copay. The drugs in the middle column are the therapeutically equivalent alternatives with a copay of \$30. The drugs in the right column are generic alternatives with a \$5 copay.

Non-Preferred (Non-Formulary) Drug (\$50 Copay)	Preferred (Formulary) Alternatives (\$30 Copay)	Generic Alternatives (\$5 Copay)
Anzemet	Kytril	Ondansetron
Avodart	Flomax and Uroxatral	Finasteride
Floxin Copro HC	Ciprodex	Oflaxacin
Maxair HFA	Proair HFA, Proventil HFA, Venotilin HFA, Xopenex HFA	None
Paxil CR	Lexapro	Fluoxetine, Paroxetine, Fluvoxamine, Citalopram, Sertraline

Non-Preferred (Non-Formulary) Drugs that became Preferred (Formulary) Drugs on February 1, 2008

The drugs being added to the formulary are listed below. In the left column is the list of non-preferred or non-formulary drugs which currently have a copay of \$50. Beginning February 1, 2008, these drugs will become preferred and the copayment will **decrease** to \$30. Formulary alternatives which currently have a copay of \$30 are in the middle column, and generic alternatives which have a copay of \$5 are in the right column.

Preferred (Formulary) Drugs (\$30 copay)	Preferred (Formulary) Alternatives (\$30 Copay)	Generic Alternatives (\$5 Copay)
Cardizem LA	Verelan PM	Diltiazem, Verapamil
Humatrope	Nutropin, Nutropin AQ	None
Levemir Flexpen	Levemir Vials	None
Avinza	Oxycontin	Generic Oxycodone, Generic Morphine
Enblex	Vesicare	Generic Oxybutynin
*Ambien CR	Rozerem	Generic Zolpidem
Ultrase MT	Ultrase	None
**Chantix	None	Generic Zyban

* As of October 1, 2007, the quantity level limit for the drugs in the Sedative Hypnotic category is 15 tablets for 30 days.

**As of December 13, 2007, Chantix was added as a covered drug under the PEEHIP prescription plan for a \$30 copayment.

All members affected by these changes will be mailed a letter prior to February 1, 2008.

Weight Watchers at Work Program

Is your New Years resolution to lose weight? The Alabama Department of Public Health, PEEHIP and Weight Watchers have partnered up to help you reach your New Years' goal.

The PEEHIP Wellness Program

The PEEHIP Wellness program is a joint project of the Alabama Department of Public Health and the PEEHIP. PEEHIP Wellness is a voluntary program, available during work hours, at no cost to employees. PEEHIP Wellness screens for potential health problems, makes referrals to the medical community, and educates participants about preventive guidelines.

The Wellness Program includes the Weight Watchers at Work program through the State of Alabama Department of Public Health. It was offered to PEEHIP members beginning October 1, 2006. During fiscal year 2007, 205 classes were started with 3,653 participants enrolled in 38 counties. The average weight loss during the year was 16 pounds.

The Weight Watchers benefit is for high-risk members who have a body mass index of 25 or more. The member's cost is \$85.00 for a 15-week program with PEEHIP paying the remaining \$85.00. Members must attend 12 of the 15 sessions to receive full reimbursement by PEEHIP.

This is an at work wellness program and is designed to be held at your worksite. Your worksite will need 15 participants to qualify for this program. You may combine with other schools or state agencies to reach your required number. Covered retirees are also eligible.

For more information on the program visit www.adph.org/worksitewellness and click on the Weight Watchers At Work Link. If you are in area codes 205 or 256 call Cindy Dyer. If you are in area codes 334 or 251 call Jonathan Edwards.

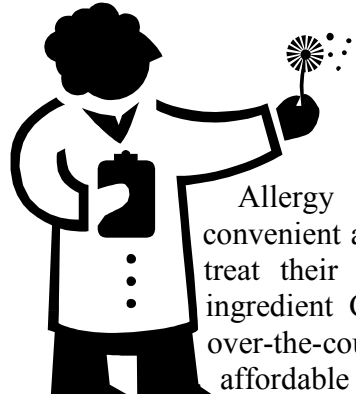
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Savings Opportunity for Allergy Sufferers



PEEHIP has good news to start the New Year.

Allergy sufferers now have a convenient and less expensive option to treat their allergies. Zyrtec's active ingredient Cetirizine will be available over-the-counter (OTC) as an affordable generic. Cetirizine is an antihistamine indicated for the temporary relief of runny nose, sneezing, itching of the nose or throat, and itchy, watery eyes due to hay fever or other upper respiratory allergies. The U.S. Food and Drug Administration (FDA) recently authorized numerous manufacturers to sell OTC Cetirizine tablets, creating competition which will encourage manufacturers to charge a reasonable price.

At the time of this printing, it appears only the syrup form of Cetirizine will have dual prescription and OTC status, with the tablet and chewable tablet forms being available only OTC. Zyrtec (tablets and syrup) and Zyrtec-D should be available OTC in late January 2008. The price of the OTC products, especially the generics, is expected to be much less than the prescription products. PEEHIP members should save at least 50% by using OTC Zyrtec and Cetirizine instead of using the prescription Zyrtec. This provides PEEHIP members with a convenient and affordable OTC option for treating their allergies.

Please remember that the PEEHIP Express Scripts prescription drug plan only covers prescription drugs that **do not** have an over-the-counter equivalent (items available over-the-counter without a prescription even when prescribed by a physician). PEEHIP will no longer cover Zyrtec, Zyrtec-D, and generic Cetirizine once they become available OTC. For questions about treating your allergy symptoms, contact your physician or pharmacist. For questions about your PEEHIP prescription drug plan, contact Express Scripts, Inc. at 866-243-2125.

Generic Drugs: Safe, Effective, Affordable

Now is the time to choose generic drugs.

Generic medications are widely accepted by doctors and pharmacists. Already, more than 40% of all medications dispensed annually are generic drugs. And the availability of generic drugs is constantly expanding. In the past 12 months, several drugs – Zantac®, Prozac®, Augmentin®, Glucophage® and Prilosec® – have lost their patent protection and had generic versions released.

Many of the best-selling, most widely prescribed brand-name drugs will become available as generic medications for common medical conditions, including heartburn, allergies, depression and high blood pressure.

Why do generics cost less than brand-name drugs?

Drug manufacturers spend large sums of money on the research, development, marketing and advertising of brand-name drugs. These costs are built into the price you pay for the drug. Manufacturers of generic equivalents have much lower costs – and they pass the savings on to you.

Are generics and brand-name drugs the same?

A generic drug contains the same active ingredients in the same dosage forms and strengths as the brand-name drug. Since they have the same active ingredients, generic drugs can be used by patients of all ages to achieve the same medical effects of brand-name drugs.

Manufacturers do add small amounts of inactive ingredients for specific purposes, such as to add flavor and color. As a result, brand-name drugs and their generic equivalents often look different. Because these ingredients are inactive, they usually do not pose any risk for patients. Talk with your doctor or pharmacist to see if a generic drug is right for you.

Why should you choose generics?

Every year, generic drugs filled at retail pharmacies save consumers billions of dollars. By choosing a generic medication, you:

- ♦ often save on your prescription copayment,
- ♦ get the same quality and effectiveness as that of a brand-name drug, and
- ♦ help keep medical care more affordable for everyone.

How do you know generics are safe?

The U.S. Food and Drug Administration (FDA) approves both brand-name and generic drugs before they are marketed in the U.S. The FDA requires that generic equivalent drugs contain the same active ingredients as brand-name drugs. The FDA also requires that generic drugs be absorbed and used in the body in the same way as brand-name drugs. These requirements ensure that generic drugs will be as safe and effective as brand-name drugs.

You have a choice.

When you get a prescription, find out whether a generic drug is available and whether it is appropriate for you. Ask your doctor or pharmacist:

- ♦ Is there a generic drug that is appropriate for my condition?
- ♦ What is the potential for any side effects if I change medications?

If you have more questions about generics, read the [FDA's Questions and Answers](http://www.fda.gov/cder/consumerinfo/generics_q&a.htm) (www.fda.gov/cder/consumerinfo/generics_q&a.htm).

Announcing Teachers' Retirement System & PEEHIP Agency Seminars

The RSA will be holding Teachers' Retirement System (TRS) and PEEHIP Agency Seminars for all human resources, payroll, and insurance personnel at various locations within the state during February. A broadcast email containing the dates and locations of the seminars was sent January 17 to all TRS agencies.

You are urged to attend this program for system updates, insurance updates, and RSA-1 information. This is a valuable opportunity for you to keep up to date with the RSA.

If you have questions, please call Judy Price Utley, Director of RSA Field Services, at 800-214-2158, extension 1617, or Maxine Kelley at extension 1509.

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